

SUGAR LAND INDEPENDENT SCHOOL DISTRICT
IN FORT BEND COUNTY

CHAPTER 109

H. B. No. 429

An Act amending Section 2 of Senate Bill No. 21, Acts of the Fourth Called Session, Thirty-fifth Legislature, 1918, Chapter 4, page 222, et seq., relating to the Sugar Land Independent School District in Fort Bend County; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. Section 2 of Senate Bill No. 21, Acts of the Fourth Called Session, Thirty-fifth Legislature, 1918, Chapter 4, page 222, is hereby amended so as to hereafter read as follows:

"Section 2. The management and control of the public free school within said District is hereby vested in the Board of Trustees which Board shall be composed of seven (7) persons, resident taxpayers who shall have attained the age of at least twenty-one (21) years and shall have resided within said District for at least twelve (12) months preceding the date of election or appointment. Each member of said Board, before entering upon the discharge of the duties of the office, shall swear or affirm to faithfully and impartially discharge the duties of the office without any favor to any friend or fear of any person in addition to the oath or affirmation required by the Constitution of the State and such affidavit or affirmation shall be filed with said Board."

Sec. 2. The fact that provisions of this Act are deemed necessary by the Sugar Land Independent School District creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and said Rule is hereby suspended, and that this Act shall take effect and be in force from and after its passage, and it is so enacted.

Passed the House, April 12, 1949: Yeas 126, Nays 0; passed the Senate April 21, 1949: Yeas 30, Nays 0.

Approved May 3, 1949.

Effective May 3, 1949.

SABINE RIVER AUTHORITY

CHAPTER 110¹

H. B. No. 467

An Act detaching from Sabine-Neches Conservation District all of the territory contained within the watershed of the Sabine River and its tributaries and establishing the Sabine River Authority to contain said territory so detached for the purpose of controlling floods, conserving the soils, providing a water supply for municipal, industrial, domestic, and hydro-electric purposes and all other useful purposes, to make provision for navigation and to construct or otherwise acquire navigation facilities; to own and operate hydro-electric generating facilities; providing a Board of Directors and prescribing their compensation; prescribing the powers of the Authority; authorizing the issuance of bonds payable from sources other than taxation and providing for the payment and security of such bonds; changing the name and boundaries of the Sabine-Neches Conservation District made necessary by the creation of the Sabine River Authority; requiring approval by the Attorney General of Texas of all

¹ Vernon's Ann.Civ.St., art. 8197f note.

contracts and agreements by and between the Authority and the Federal government or any of its representatives; permitting compliance by the District with Federal laws existing on effective date hereof and with any Compact made between the State of Texas, the Federal Government and the State of Louisiana, and providing that agreements made thereunder shall be approved by the Attorney General of Texas; providing for eminent domain by the Authority except in cases of prior eminent domain by other agencies; preserving intact the Lower Neches Valley Authority; making an appropriation; enacting other provisions relating to this subject; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. That there shall be, and there is hereby created a conservation and reclamation district by the name of "Sabine River Authority" which district is created as a governmental agency of the State of Texas, a body politic and corporate, vested with all of the authority as such under the Constitution and laws of the State; and which shall have and be recognized to exercise all of the powers of such governmental agency and body politic and corporate as expressly authorized in the provisions of the Constitution, Section 59 of Article 16, for districts created to conserve, store, control, preserve, utilize, and distribute the storm and flood waters and the waters of the rivers and streams of the State, and such powers as may be contemplated and implied by the purposes of such provision of the Constitution, and as may be conferred by General Law, as well as by the provisions of this Act, except nothing herein contained shall authorize said district to levy any taxes or special assessments, or to create any debt payable out of taxation; and said district shall have and be recognized to exercise all the rights and powers of an independent agency, body politic and corporate, to construct, maintain, and operate within the State of Texas, in the watershed of the Sabine River and its tributaries, within or without the boundaries of such district, any and all works deemed essential to the operation of the district and for its administration in the control, storing, preservation and distribution to all useful purposes of the waters of the Sabine River and its tributary streams, including the storm and flood waters thereof; and such district shall have and be recognized to exercise such authority and power of control and regulation over such waters of the Sabine River and its tributaries as may be exercised by the State of Texas, subject to the provisions of the Constitution and the Acts of the Legislature.

Sec. 2. The area of the district is hereby established to comprise all of that part of the territory lying within the watershed of the Sabine River and its tributary streams which is situated within the State of Texas as the same is made certain by the State contour maps now on file in the office of the State Board of Water Engineers. Reference is hereby made to said records and maps in aid hereof. Upon the request of the Board of Directors the Board of Water Engineers shall define such boundaries so that the same may be expressed in written calls of the metes and bounds of said watershed; provided, however, that the definition of such boundaries shall not be a condition precedent to the exercise of any power conferred by this Act; provided further that there is excepted from the area covered by the Neches River Conservation District, all the area presently covered by the Lower Neches Valley Authority. It is the intent of the Legislature to preserve the present area and authority of the Lower Neches Valley Authority.

Sec. 3. The management and control of all of the affairs of the district shall be vested in the Board of Directors, consisting of nine (9) members, each of whom must reside within a county situated wholly or partially within the watershed of the Sabine River and shall be a

freehold property taxpayer and a legal voter of the State of Texas. Such Board of Directors shall be appointed by the Governor of Texas as soon as practicable after the passage of this Act and confirmed by the Senate; one-third of the members to be appointed for a term of two (2) years, one-third of the members to be appointed for a term of four (4) years, and the remaining members to be appointed for a term of six (6) years. Upon the expiration of the respective terms of said Directors the successors of each and all of them shall be appointed thereafter for a term of six (6) years. The Directors shall hold office after their appointment and qualification until their successors shall be appointed and qualified. Should any vacancy occur in the Board of Directors the same may be filled in like manner by the Governor of Texas for the unexpired term. The Directors appointed shall within fifteen (15) days after their appointment qualify by taking the official oath and filing a good and sufficient bond with the Secretary of State; the official bond of each Director to be in the sum of One Thousand Dollars (\$1,000), and shall be payable to the district, shall be conditioned upon the faithful performance of official duties of such Director, and shall be subject to approval by the Secretary of State of the State of Texas.

Sec. 4. The Directors of the district shall organize by electing one of their members President, one Vice-President, one Secretary, and a Secretary pro tem. Five (5) Directors shall constitute a quorum at any meeting, and a concurrence of a majority of those present shall be sufficient in all matters pertaining to the business of the district, except the letting of construction contracts and the authorization of issuance of bonds, which shall require the concurrence of five (5) Directors. Warrants for the payment of money may be drawn and signed by two (2) officers or employees designated by resolution entered on the minutes of the Directors, when such accounts have been contracted and ordered paid by the Board of Directors.

Sec. 5. The Directors of the district shall require all officers and employees who shall be charged with the collection or paying or handling of any funds of the district under their orders, to furnish good and sufficient bonds, with a duly authorized surety company as surety thereon, payable to the district, conditioned upon the faithful performance of their duties and accounting for all funds and property of the district coming into their hands, which bonds shall be in sufficient sums to safeguard the district.

Sec. 6. The President shall preside at all meetings of the Board and shall be the chief executive officer of the district. The Vice-President shall act as President in the case of the absence or disability of the President. The Secretary shall act as a Secretary of the Board of Directors, and shall be charged with the duty of seeing that all records and books of the district are properly kept. In case of the absence or inability of the Secretary to act, the Secretary pro tem shall perform his duties. The Directors shall hold regular meetings at times to be fixed by the Board, and may hold special meetings at such other times as the business of the district may require.

Sec. 7. The Directors shall receive as fees of office the sum of not more than Ten Dollars (\$10) for each day of service necessary to discharge their duties, plus actual expenses, provided that such compensation and expenses are approved by vote of the Board of Directors. Each Director shall file with the Secretary a statement showing the amount due him each month or as soon thereafter as practicable, and before check shall be issued therefor.

Sec. 8. The Directors shall keep a true and full account of all their meetings, and proceedings, and preserve their minutes, contracts, rec-

ords, notices, accounts, receipts and records of all kinds in a fireproof vault or safe. The same shall be the property of the district and subject to public inspection. A regular office shall be established and maintained for conduct of the district business within the district.

Sec. 9. A complete book of accounts shall be kept. The account books and records of the district and of the depository of the district shall be audited by the State Auditor annually in such manner as to enable him to report to the Legislature as to the manner and purpose of the expenditure of all funds of the district and report thereon shall be submitted to the first regular meeting of the Board of Directors thereafter. Two (2) copies of the report shall be filed in the office of the district, one with the Governor, one with the Lieutenant Governor, and one with the Speaker of the House, all of which shall be open to public inspection.

Sec. 10. The Directors may employ a manager for the district, and may give him full authority in the management and operation of the district affairs (subject only to the orders of the Board of Directors). Compensation to be paid such manager and all employees shall be fixed by the Board of Directors and all employees may be removed by the Board.

Sec. 11. All bonds required to be given by officers and employees of the district, shall be executed by a surety company authorized to do business in the State, as surety thereon, and the district shall be authorized to pay the premiums on such bonds.

Sec. 12. No Director, engineer or employee of the district, either for themselves or as agent for any one else, shall benefit directly or indirectly by reason of any sale, purchase or contract entered into by the Board. If any such person shall directly or indirectly become interested in any such contract, sale, or purchase, he shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine in any sum of not to exceed One Thousand Dollars (\$1,000) or by confinement in the county jail for not less than six (6) months nor more than one (1) year or by both fine and imprisonment. Provided further, that in the purchase or sale of any realty bought or sold by the district from or to any Director, engineer or employee of the district the value of such property shall be fixed by a Board of three (3) disinterested citizens, residents of the county in which the property lies, such Board to be appointed by the District Judge thereof.

Sec. 13. Any drainage, conservation, reclamation or other district heretofore created by the State of Texas with powers provided in Section 59 of Article 16, or in Section 52 of Article 3 of the Constitution, shall have the authority, power and right to co-ordinate its plans with the district herein created, and shall have full authority, power and right to enter into joint undertakings for the purposes for which the districts are created. Provided, however, that all such acts must be approved by a majority of the Board of Directors of each district involved.

Sec. 14. The said district shall have and be recognized to exercise, in addition to all the hereinbefore mentioned powers, for the conservation and beneficial utilization of said waters, the power of control and employment of such waters of the Sabine River and its tributaries within the State of Texas, including the storm and flood waters thereof, in the manner and for the particular purposes hereinafter set forth:

(a) To provide through practical and legal means for the control and co-ordination of the regulation of the waters of the Sabine River and its tributary streams;

(b) To provide by adequate organization and administration for the preservation of the equitable rights of the people of the different sec-

tions of the watershed area, in the beneficial use of the waters of the Sabine River and its tributary streams;

(c) For storing, controlling and conserving the waters of the Sabine River and its tributaries within and without the district, and the prevention of the escape of any of such waters without the maximum of public service; for the prevention of devastation of lands from recurrent overflows, and the protection of life and property in such district from uncontrolled floodwaters;

(d) For the conservation of the waters of the Sabine River and its tributaries essential for the domestic uses of the people of the district, including all necessary water supplies for cities and towns;

(e) For the irrigation of lands within the State of Texas where irrigation is required for agricultural purposes, or may be deemed helpful to more profitable agricultural production, and for the equitable distribution of said waters to the regional potential requirements for all uses, hydro-electric, domestic, municipal, manufacturing and irrigation, provided that no steam generating capacity shall be installed by the Authority. All plans and all works provided by said district, and as well, all works which may be provided under authority of said district shall have primary regard to the necessary and potential needs for water. The sale of water by the Authority, and the compensation charged therefor shall be subject to regulation by the Board of Water Engineers of the State of Texas, upon its own initiative or upon complaint of any user of such water, but such regulation shall be subject to the requirements of subdivision(m) of this Section 14;

(f) For the encouragement and development of drainage systems and provisions for drainage systems and for drainage of lands in the watershed of the Sabine River and its tributary streams needed for profitable agricultural production; and drainage for other lands in the watershed area of the district requiring drainage for the most advantageous use;

(g) For the purpose of encouraging the conservation of all soils against destructive erosion and thereby preventing the increased flood menace incident thereto;

(h) To control and make available for employment of said waters in the developing of commercial and industrial enterprises in all sections of the district; to improve the Sabine River for navigation; to construct or otherwise acquire and operate navigation facilities, and to make contracts with the United States Government with reference thereto;

(i) For the control, storing and employment of said waters in the development and distribution of hydro-electric power, where such use may be economically co-ordinated with other and superior uses, and subordinated to the uses declared by law to be superior;

(j) And for each and every purpose for which flood and storm waters when controlled and conserved may be utilized in the performance of useful service as contemplated and authorized by the provisions of the Constitution and the public policy therein declared;

(k) To purchase and construct all works necessary or convenient for the exercise of the powers, and to accomplish the purposes specified in this Act, and to purchase or otherwise acquire all real and personal property necessary or convenient for carrying out any such purposes;

(l) The right to eminent domain is expressly conferred upon such district to enable it to acquire the fee simple title to, and the easement or right of way over and through, any and all lands, water or lands under water, private or public, within and without such district, which in the judgment of the Board of Directors is necessary or convenient to

carry out any of the purposes and powers conferred upon such district by this Act; provided, however, that as against persons, firms, and corporations, or receivers or trustees thereof, who have the power of eminent domain, the fee title may not be condemned, but the district may condemn only an easement. All such condemnation proceedings shall be under the direction of the Directors and in the name of the district, and the assessment of damages and all procedure with reference to condemnation, appeal and payment shall be in conformity with the Statutes of this State as provided in the title of the Revised Civil Statutes of Texas relating to "Eminent Domain";

(m) The Board of Directors of the district shall prescribe fees and charges to be collected for the use of water, water connections, hydro-electric service, or other service, which fees and charges shall be reasonable and equitable and fully sufficient to produce revenues adequate to pay, and said Board of Directors shall cause to be paid therefrom:

(1) All expenses necessary to the operation and maintenance of the improvements and facilities of said district. Such operating and maintenance expenses shall include the cost of the acquisition of properties and materials necessary to maintain said improvements and facilities in good condition and to operate them efficiently, necessary wages and salaries of the district, and such other expenses as may be reasonably necessary to the efficient operation of said improvements and facilities;

(2) The annual or semi-annual interest as it becomes due upon any bonds issued hereunder payable out of the revenues of said improvements and facilities;

(3) The amount required to be paid annually into the sinking fund for the payment of any bonds issued hereunder, payable out of the revenues of said improvements and facilities, and to be paid into the reserve and other funds under the resolution authorizing the issuance of the bonds;

(n) Such district through its Board of Directors, shall have the right to employ managers, engineers, attorneys, and all necessary employees properly to construct, operate and maintain said works and carry out the provisions of this Act, and to pay reasonable compensation fixed by the Board of Directors for such services;

(o) Such district, in addition to the powers hereinabove set out, shall have general power and authority to make and to enter into all contracts, leases and agreements necessary or convenient to carry out any of the powers granted in this Act, which contracts, leases and agreements may be entered into with any person, real or artificial, any corporation, municipal, public or private, any government or governmental agency, including the United States Government, the State of Texas, the State of Louisiana, or any public or private corporation or entity created by or under the laws of the State of Louisiana, and may make contract with any such person, corporation or entities for the joint construction or operation, or both, of any facilities authorized to be operated or constructed by the district. Provided, however, that no contract shall be made with the United States Government or any agency thereof unless proved as to legality by the Attorney General of Texas. Any and all such contracts, leases and agreements herein authorized shall be approved by resolution of the Board of Directors of such district, and shall be executed by the President or Vice-President and attested by the Secretary or Secretary pro tem thereof;

(p) Such district shall have the right to sue and be sued in its own name;

(q) Before such district shall establish a diversion point, construct the canals, pumping plants and other works, it shall present to the Board

of Water Engineers of the State of Texas, or such other agency performing the functions now performed by the Board of Water Engineers, plans and specifications of the same and obtain approval of such Board.

Sec. 15. The powers and duties herein devolved upon the said district shall be subject to the continuing rights of supervision by the State, which shall be exercised through the State Board of Water Engineers, which agency shall be charged with the authority and duty to approve, or to refuse to approve, the adequacy of any plan or plans for flood control or conservation improvement purposes devised by the district for the achievement of the plans and purposes intended in the creation of the district, and which plans contemplate improvements supervised by the respective State authorities under the provisions of the General Laws.

Sec. 16. Said district shall have and may exercise such functions, powers, authority, rights and duties as may permit the accomplishment of the purposes for which it is created, including investigating and planning, acquiring, constructing, maintaining and operating of all necessary properties, lands, rights, tenements, easements, improvements, reservoirs, dams, canals, laterals, plants, works and facilities which it may deem necessary or proper for the accomplishment of said purposes, including the acquisition within and without said district of lands, rights of way, water rights, and all other properties, tenements, easements and all other rights incident, helpful to or in aid of carrying out the purposes of said district as herein defined; and this Act, in all of its terms and provisions shall be liberally construed to effectuate each and all of the purposes thereof.

Sec. 17. The Board of Directors of the Authority hereby created is hereby authorized to accept grants and gratuities in any form for the purpose of promoting, establishing and accomplishing the objectives herein set forth. Any and all grants and gratuities shall be strictly accounted for and shall be subject to the same rules, regulations and audits by the Texas State Auditor as are other funds handled or disbursed by the governing Board of the Authority.

Any contract or agreement entered into or any commitment made by and between the Authority or any of its agents or representatives and the Federal government or any of its agents or representatives involving the sovereign rights of the State of Texas in the control, utilization, disposition, storing or sale of the water of the Sabine River or its tributaries, or involving the control, management or utilization of any facilities, properties or improvements constructed thereon, before becoming an obligation upon the district, shall first be submitted to the Attorney General of the State of Texas for approval. Provided, however, that nothing herein contained shall preclude compliance by the district with Federal laws existing on the effective date of this Act or with any Compact made subsequent thereto by and between the State of Texas, the Federal government and the State of Louisiana, but any agreement, contract or commitment based upon or involving any Compact promulgated subsequent to the effective date hereof between the State of Texas, the Federal government and the State of Louisiana, shall likewise be submitted to the Attorney General of the State of Texas for approval.

Sec. 18. (a) For the purpose of providing funds for any purpose authorized by this Act the district shall have the power and is hereby authorized to issue bonds from time to time as authorized by this Act, provided that the aggregate principal amount of such bonds outstanding at any one time shall not exceed Twenty-five Million Dollars (\$25,000,000). Provided, however, that in the event any outstanding bonds shall be paid at maturity other than through the application of the proceeds of other

bonds or through the issuance of other bonds in exchange therefor; or shall be retired prior to the stated maturity thereof and operation of any sinking fund provided for the bonds so retired and in the proceedings authorizing the same, or from the proceeds of the sale of property, the aggregate principal amounts of bonds herein authorized to be outstanding at any one time shall be reduced by the principal amount of the bonds so paid or retired. Any additional amount of bonds must be authorized by an Act of the Legislature. The district is hereby empowered, without the necessity of an election, to issue such bonds to be payable from such revenues of the district as are pledged by resolution of the Board of Directors.

(b) Such bonds shall be authorized by resolution of the Board of Directors and shall be issued in the name of the district, signed by the President or Vice-President, attested by the Secretary or Secretary pro tem, and have the seal of the district impressed thereon. They shall mature serially or otherwise in not to exceed forty (40) years and may be sold at a price and under terms determined by the Board of Directors to be the most advantageous reasonably obtainable, provided that the interest cost to the district, calculated by use of standard bond interest tables currently in use by insurance companies, and investment houses does not exceed six per cent (6%) per annum, and within the discretion of the Board, may be made callable prior to maturity at such times, and prices as may be prescribed in the resolution authorizing the bonds, and may be made registerable as to principal or as to both principal and interest.

(c) Bonds may be issued in more than one series and from time to time as required for carrying out the purposes of this Act.

(d) The bonds may be secured by a pledge of all or part of the net revenues of the district, or by the net revenues of any one or more contracts theretofore or thereafter made or other revenues specified by resolution of the Board of Directors. Any such pledge may reserve the right, under conditions therein specified, to issue additional bonds which will be on a parity with or subordinate to the bonds then being issued. The term "net revenues" as used in this Section shall mean the gross revenues of the district after deduction of the amount necessary to pay the cost of maintaining and operating the district and its properties.

(e) It shall be the duty of the Board of Directors to fix, and from time to time to revise, the rates of compensation for water sold and services rendered by the district which will be sufficient to pay the expense of operating and maintaining the facilities of the district and to pay the bonds as they mature and the interest as it accrues and to maintain the reserve and other funds as provided in the resolution authorizing the bonds.

(f) From the proceeds of the sale of the bonds, the district may set aside an amount for the payment of interest expected to accrue during construction and a reserve interest and sinking fund, and such provision may be made in the resolution authorizing the bonds. Proceeds from the sale of the bonds may also be used for the payment of all expenses necessarily incurred in accomplishing the purposes for which this district is created.

(g) In the event of a default or a threatened default in the payment of principal or of interest on any of the bonds any court of competent jurisdiction may, upon petition of the holders of twenty-five per cent (25%) of the outstanding bonds of the issue thus in default or threatened with default, appoint a receiver with authority to collect and receive all income of the district, employ and discharge agents and employees of the district, take charge of funds on hand and manage the

proprietary affairs of the district without consent or hindrance by the directors. Such receiver may also be authorized to sell or make contracts for the sale of water or renew such contracts with the approval of the court appointing him. The court may vest the receiver with such other powers and duties as the court may find necessary for the protection of the holders of the bonds.

Sec. 19. The district is authorized to issue refunding bonds for the purpose of refunding any outstanding bonds authorized by this Act and interest thereon. Such refunding bonds may be issued to refund more than one series of outstanding bonds and combine the pledges for the outstanding bonds for the security of the refunding bonds, and may be secured by other or additional revenues. The provisions of this Law with reference to the issuance of other bonds and their approval by the Attorney General and the remedies of the holders shall be applicable to refunding bonds. Refunding bonds shall be registered by the Comptroller upon surrender and cancellation of the bonds to be refunded, but in lieu thereof, the resolution authorizing their issuance may provide that they shall be sold and the proceeds thereof deposited in the bank where the original bonds are payable, in which case the refunding bonds may be issued in an amount sufficient to pay the interest on the original bonds to their option date or maturity date, and the Comptroller shall register them without concurrent surrender and cancellation of the original bonds.

Sec. 20. Any bonds (including refunding bonds) authorized by this Law may be additionally secured by a deed of trust lien upon physical properties of the district and all franchises, easements, water rights and appropriation permits, leases and contracts and all rights appurtenant to such properties, vesting in the trustee power to sell the properties for payment of the indebtedness, power to operate the properties and all other powers and authority for the further security of the bonds. Such deed of trust may contain any provisions prescribed by the Board of Directors for the security of the bonds and the preservation of the trust estate, and may make provision for amendment or modification thereof and the issuance of bonds to replace lost or mutilated bonds. Any purchaser under a sale under such deed of trust shall be the owner of the dam or dams and the other properties and facilities so purchased and shall have the right to maintain and operate the same.

Sec. 21. After any bonds are authorized by the district, such bonds and the record relating to their issuance shall be submitted to the Attorney General for his examination as to the validity thereof. Where such bonds recite that they are secured by a pledge of the proceeds of a contract theretofore made between the district and any city or other governmental agency or district, a copy of such contract and the proceedings of the city or other governmental agency or district authorizing such contract shall also be submitted to the Attorney General. If such bonds have been authorized and if such contracts have been made in accordance with the Constitution and Laws of the State of Texas he shall approve the bonds and such contracts and the bonds then shall be registered by the Comptroller of Public Accounts. Thereafter, the bonds and the contracts, if any, shall be valid and binding and shall be incontestable for any cause.

Sec. 22. (a) The rates and charges for electric power sold and the services rendered by the district shall be reasonable, non-discriminatory, and just to the customers, and all rates and charges which are unreasonable, discriminatory, or unjust to customers are hereby prohibited and declared to be unlawful.

(b) Said Board of Water Engineers (herein called "State Board") shall have the power to regulate and fix the rates and compensation to be charged by the district for electric energy and other services, and to prescribe rules and regulations under which electric energy is furnished. The State Board shall not prescribe any rate or compensation which will yield less than a fair rate of return upon the fair value of the property used and useful in generating electric energy and rendering other service, but such return in no event shall exceed ten per cent (10%) per annum.

(c) When the district is about to enter into a contract for the sale of electric energy such contract shall be filed with the State Board for examination. Upon the filing of such contract the State Board shall issue a notice to the parties, by registered mail, (unless such notice is waived) informing them of the time and place when and where a hearing thereon shall be had. If, pursuant to such hearing, the State Board finds that such contract is fair and reasonable and not detrimental to the public interest, it shall approve such contract or proposal, but if it finds that the contract or proposal is unfair or unreasonable or detrimental to the public interest it shall disapprove it. The action of the State Board pursuant to such hearing shall be conclusive unless an appeal is taken.

(d) If any party is dissatisfied with the action of the State Board such party may file a petition setting forth the particular objections to such action in a District Court of Travis County against the State Board as defendant. The findings of the State Board as to the facts, if supported by substantial evidence, shall be conclusive. Appeals may be taken to the Court of Civil Appeals and may be removed to the Supreme Court as in other civil causes.

(e) The State Board is authorized to exercise its powers of regulation and control upon its own initiative or upon complaint of any person aggrieved.

Sec. 23. This district shall have all of the powers conferred by General Laws upon water control and improvement districts. This district is hereby constituted and declared to be a water control and improvement district within the meaning of Chapter 349, Acts of the Forty-ninth Legislature, authorizing water supply contracts between cities and water control and improvement districts, and, in addition to the powers conferred by this Act, this district shall have all of the powers conferred by said Chapter 349. In the event of conflict between the provisions of this Act and the General Laws relating to water control and improvement districts, or any other General Law, the provisions of this Act shall prevail.

Sec. 24. All bonds of the district shall be and are hereby declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas. Such bonds shall be eligible to secure the deposit of any and all public funds of the State of Texas, and any and all public funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas; and such bonds shall be lawful and sufficient security for said deposits to the extent of their value, when accompanied by all unmatured coupons appurtenant thereto.

Sec. 25. The accomplishment of the purposes stated in the Act being for the benefit of the people of this State and for the improvement of their properties and industries, the district in carrying out the purposes of this Act will be performing an essential public function under the

Constitution and shall not be required to pay any tax or assessment on the project or any part thereof, and the bonds issued hereunder and their transfer and the income therefrom, including the profits made on the sale thereof, shall at all times be free from taxation within this State.

Sec. 26. (a) The Board of Directors of the district shall have the power to adopt and promulgate all reasonable regulations to secure, maintain and preserve the sanitary condition of all water in and to flow into any reservoir owned by the district, to prevent waste of water or the unauthorized use thereof, to regulate residence, hunting, fishing, boating, and camping, and all recreational and business privileges, along or around any such reservoir and the Sabine River and its tributaries, or, any body of land, or easement owned or controlled by the district; and shall have the right to make contracts with responsible persons for the construction and operation of toll bridges over the district's water, or for ferry service on or over the district's water (to cover periods of time not to exceed twenty (20) years in the case of a bridge and not to exceed ten (10) years in the case of a ferry), fixing the compensation to be charged for service by any such facility, to the end that the same be reasonable, and requiring adequate bond or bonds from any such contracting persons, association or corporation, payable to the district, to be of such amount and conditioned as the judgment of the Directors of the district may deem to be required; and, such contracts may provide for forfeiture of the particular franchise in case of a failure of the licensee to render adequate public service.

(b) Such district may prescribe reasonable penalties for the breach of any regulation of the district, which penalties shall not exceed fines of more than Two Hundred Dollars (\$200), or imprisonment for not more than thirty (30) days, or may provide both such fine and such imprisonment. The penalties hereby authorized shall be in addition to any other penalties provided by the laws of Texas and may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the violation occurred, provided, however, that no rule or regulation which provides a penalty for the violation thereof shall be in effect, as to enforcement of the penalty, until five (5) days next after the district may have caused a substantive statement of the particular rule or regulation and the penalty for the violation thereof to be published, once a week for two (2) consecutive weeks in the district. The substantive statement so to be published shall be as condensed as is possible to afford an intelligent direction of the mind to the act forbidden by the rule or regulation; one notice may embrace any number of regulations; there must be embraced in the notice advice that breach of the particular regulation, or regulations, will subject the violator to the infliction of a penalty, and there also shall be included in the notice advice that the full text of the regulations sought to be enforced is on file in the principal office of the district, where the same may be read by any interested person. Five (5) days after the second publication of the notice hereby required, the advertised regulation shall be in effect, and ignorance of any such regulation shall not constitute a defense to a prosecution for the enforcement of a penalty; and, the rules and regulations authorized hereby, after the required publication, shall judicially be known to the courts and shall be considered of a nature like unto that of valid penal ordinances of a city of the State.

(c) It further is expressly provided that the district shall have the power to employ and constitute its own peace officers, and any such peace officer or any county peace officer shall have the power to make arrests when necessary to prevent or abate the commission of any offense against the regulations of the district, and against the laws of the State of

Texas, when any such offense, or threatened offense, occurs upon any land, water, or easement owned or controlled by the district; or, to make such arrest at any place, in case of an offense involving injury or detriment to any property owned or controlled by such district.

Sec. 27. The district is authorized to establish or otherwise provide for public parks and recreation facilities, and to acquire land for such purposes.

Sec. 28. There is hereby appropriated, and there shall be paid to said district out of the General Fund not otherwise appropriated, the sum of Twenty-five Thousand Dollars (\$25,000), which said sum shall be used for defraying the expenses of making engineering surveys, plans and specifications, for the compilation of other necessary data, for abstracts of title, and for the payment of necessary and proper expenses incidental to and in connection with the organization of the district, and any and all expenses necessary to the management of the affairs of the district. Provided, however, that none of the amount appropriated herein shall be used to pay any expenses or costs incurred prior to the effective date of this Act. Provided that none of the funds herein appropriated shall be used to pay for options on lands in said district. The district shall repay said amount to the State out of the proceeds of the first bonds issued by the district.

Sec. 29. The territory hereinabove established as Sabine River Authority is hereby detached from the Sabine-Neches Conservation District which was established by Chapter 361, Acts of the Forty-fourth Legislature, as amended. The name of said Sabine-Neches Conservation District is hereby changed to "Neches River Conservation District." Hereafter the territory which shall be embraced within the boundaries of said Neches River Conservation District shall be all of that territory which is situated within the watershed of the Neches River and its tributaries as the same is made certain by the State contour maps now on file in the office of the Board of Water Engineers of the State of Texas to which maps reference is hereby made thereof. Upon the request of the Board of Directors of the Neches River Conservation District the Board of Water Engineers shall define such boundaries so that the same may be expressed in written calls of the metes and bounds of said watershed; provided, however, that the definition of such boundaries shall not be a condition precedent to the exercise of any power conferred by the Act creating said Neches River Conservation District.

Sec. 30. Whenever the Board of Water Engineers of the State of Texas is designated in this Act, the same shall include any other Board or Body which succeeds substantially to the powers or duties heretofore conferred upon said State Board of Water Engineers.

Sec. 31. If any provision of this Act or the application thereof to any person or circumstance shall be held to be invalid, the remainder of the Act, and the application of such provision to other persons or circumstance shall not be affected thereby.

Sec. 32. The fact that the control of floods and the other public purposes to be accomplished by the Authority created by this Act is urgently needed not only in the area of the district, but also by the entire State of Texas as a part of a State-wide program for the control of devastating floods and conservation of water creates an emergency and an imperative public necessity requiring that the Constitutional Rule that bills be read on three several days in each House be suspended, and such Rule is hereby suspended, and that this Act take effect from and after its passage, and it is so enacted.

Passed the House, March 28, 1949: Yeas 131, Nays 1; House refused to concur in Senate amendments, April 25, 1949, and requested ap-

pointment of a Conference Committee to consider differences between the two Houses; House adopted Conference Committee Report, April 27, 1949: Yeas 120, Nays 0; passed the Senate with amendments, April 13, 1949: Yeas 28, Nays 0; at request of House, Senate appointed a Conference Committee to consider differences between the two Houses; Senate adopted Conference Committee Report, April 27, 1949: Yeas 21, Nays 0.
Approved May 3, 1949.
Effective May 3, 1949.

ZONING COMMISSION—NOTICE OF CLASSIFICATION CHANGES

CHAPTER 111

H. B. No. 476

An Act amending Section 6 of House Bill No. 87, Chapter 283, Acts of the Regular Session of the Fortieth Legislature, 1927, page 424, providing for notice of hearings of the Zoning Commission; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. That Section 6 of House Bill No. 87, Chapter 283, Acts of the Regular Session of the Fortieth Legislature, 1927, page 424, be and the same is hereby amended² so as to hereafter read as follows:

"Sec. 6. Zoning Commission. In order to avail itself of the powers conferred by this Act, such legislative body shall appoint a commission, to be known as the Zoning Commission, to recommend the boundaries of the various original districts and appropriate regulations to be enforced therein. Such commission shall make a preliminary report and hold public hearings thereon before submitting its final report, and such legislative body shall not hold its public hearings or take action until it has received the final report of such commission. Where a city plan commission already exists, it may be appointed as the Zoning Commission. Written notice of all public hearings on proposed changes in classification shall be sent to all owners of property, or to the person rendering the same for city taxes, affected by such proposed changes of classification and to all owners of property, or to the person rendering the same for city taxes, located within two hundred (200) feet of any property affected thereby within not less than ten (10) days before any such hearing is held. Such notice may be served by depositing the same, properly addressed and postage paid, in the city post office."

Sec. 2. The fact that it is imperative that written notice be given to said persons affected by zoning ordinances and changes of classifications thereunder and the crowded condition of the Calendars in both Houses of the Legislature create an emergency and an imperative public necessity that the Constitutional Rule requiring all bills to be read on three several days in each House be and the same is hereby suspended, and this Act shall take effect and be in force from and after its passage, and it is so enacted.

Passed the House, April 5, 1949: Yeas 124, Nays 0; passed the Senate, April 21, 1949: Yeas 30, Nays 0.
Approved May 3, 1949.
Effective May 3, 1949.

² Vernon's Ann.Civ.St., art. 1011f.